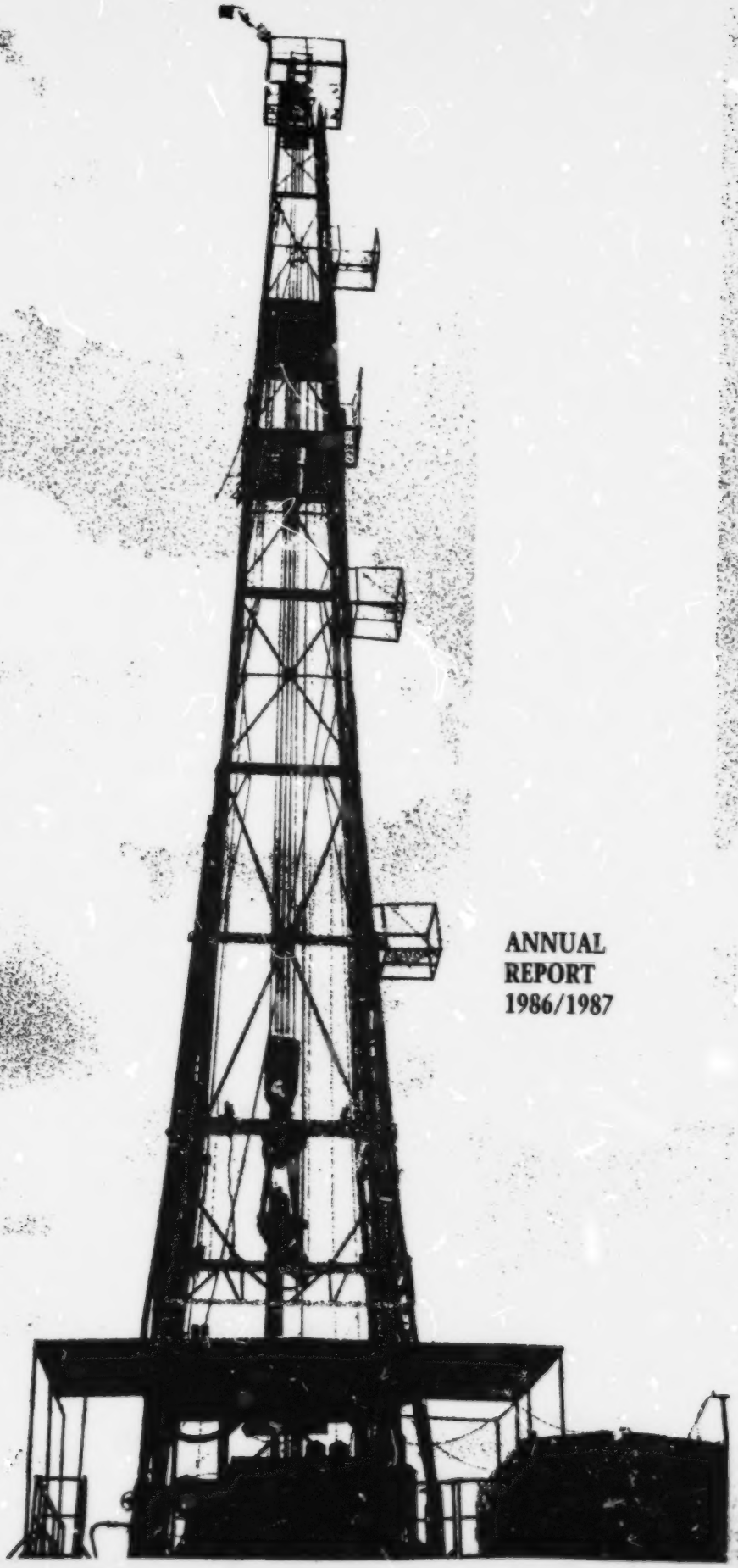


BRITISH
COLUMBIA
PETROLEUM
CORPORATION

ANNUAL REPORT 1986/1987

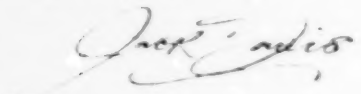
BRITISH COLUMBIA PETROLEUM CORPORATION

LETTER OF TRANSMITTAL

To His Honour
the Honourable Robert G. Rogers,
Lieutenant-Governor of the
Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

I have the pleasure to submit the Annual Report of the British Columbia Petroleum Corporation for the year ended March 31, 1987.



JACK DAVIS,
Minister of Energy,
Mines & Petroleum Resources,
Province of British Columbia

THE CORPORATION

The British Columbia Petroleum Corporation was established on November 8, 1973, as an agency of the Crown, under the Petroleum Corporation Act. The primary function of the Corporation is to market natural gas produced in British Columbia by purchasing gas from producers and selling it to Westcoast Transmission Company Limited, under an agreement dated November 13, 1973.

Under this agreement, Westcoast Transmission Company Limited novated all its British Columbia gas purchase contracts to the Corporation while retaining the functions of gathering, processing and transporting the gas and selling it to the various domestic utilities and to its U.S. customer, Northwest Pipeline Corporation. Westcoast retains from the proceeds of gas sales its cost of service, including a return on its rate base, and remits the balance of the proceeds to the Corporation, which in turn deducts its cost of service and distributes the remainder to the producers in accordance with the Natural Gas Price Act. Under the natural gas marketing system, which was implemented on July 1, 1985, the producers pay a royalty on the revenues that they receive from the sale of gas and by-products and therefore no revenues from the resale accrue to the Corporation.

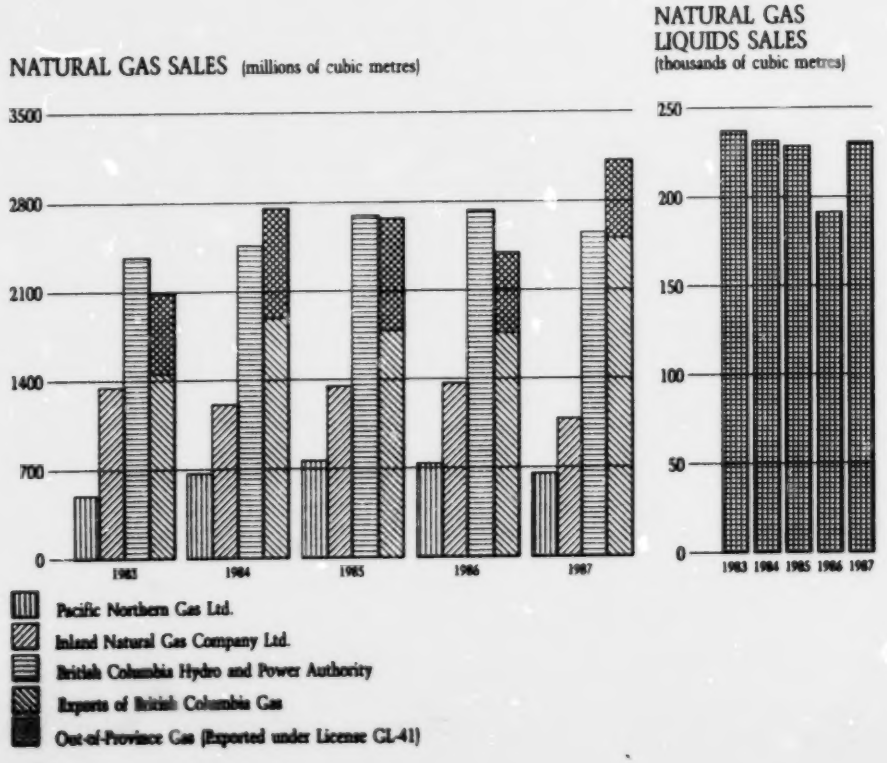
REPORT OF THE DIRECTORS

Although the year under review was one of great change in both our domestic and export markets, the volume of gas sold by the Corporation increased by 4.6% to 7032 from 6720 million cubic metres. In fact, the year's sales were higher than any year since 1979/80. The improvement was due principally to excellent last quarter sales to the U.S. Pacific Northwest and California markets where United States regulatory decisions provided a marketing opportunity for Canadian gas. For the year as a whole, sales by the Corporation to the domestic market were down by 8.3%, largely due to producers selling directly to end use customers who previously purchased system gas, but export sales were up by 40.9%.

The process of deregulation continued in both markets. An era of government regulated gas prices came to an end on November 1, 1986 and all gas is now marketed on the basis of negotiated prices. During the summer of 1986, the Corporation reached agreement with the British Columbia domestic utilities and gained the approval of its producers for a gas pricing program that recognized the needs of the various consumers of gas in the province. As previously noted, a significant proportion of the large industrial market chose to obtain their gas requirements directly from producers. This trend toward direct sales negotiated between producers and industrial users achieved an objective fully in accord with the government's policy of promoting a diversification of the marketing of natural gas.

In the United States export market the deregulation process was less smooth. The United States Federal Energy Regulatory Commission continued to pursue an open access policy for all interstate gas pipelines, but only halting progress was made. Since our last report, the status of Northwest Pipeline Corporation, Westcoast Transmission Company's major U.S. customer, as an open or closed access carrier has changed four times. Nevertheless, different marketing opportunities occurred as Northwest alternately varied between being an open access carrier or a closed carrier and, as a result, the volume of gas exported for the year can be viewed with modest satisfaction.

REPORT OF THE DIRECTORS



Unfortunately, in both domestic and export markets, gas prices came under severe pressure, particularly from alternate energy supplies such as a residual fuel oil and gas to gas competition, and the price that the Corporation was able to pay its producers suffered a 12% reduction during the course of the year.

Sales of natural gas liquids increased 20% by volume, but as a result of the collapse of oil prices to as low as $9.00 (U.S.) per barrel during 1986, which affected the price of natural gas liquids in the market, our revenues were reduced by 20%. Sales of sulphur were also higher and posted a gain of 15% by volume and 9% in revenues. It seems likely that we can look forward to improved liquids revenues as oil prices appear to be holding at approximately $18.00 (U.S.) per barrel in recent months, but sulphur prices are predicted to continue to slide in uncertain markets caused by lagging demand and increased production worldwide. This is a situation not unlike that being faced by many other commodities in the world market today.

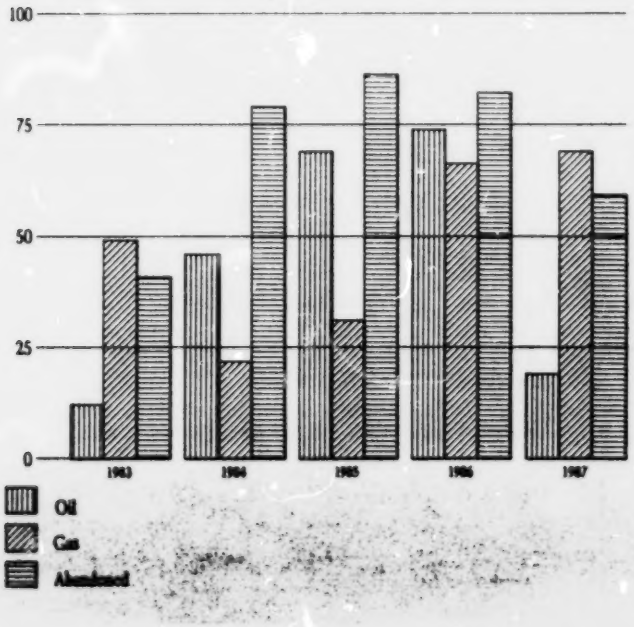
There is a widespread, albeit cautious, belief that the natural gas industry has touched bottom with respect to price and, although the approaching summer months are unlikely to show any improvement, the medium and long-term outlook appears favourable. Demand from the U.S.A. is forecast to strengthen and prices should improve as deliverability of presently connected reserves decline and the effects of an unprecedented slow-down in drilling activity are felt.

One positive event that occurred during the year was the completion of the ammonia plant, owned by Ocelot Ammonia Company, at Kitimat, B.C. This company, which comprises a partnership formed by a subsidiary of Ocelot Industries Ltd. and the Devco Group from Tulsa, Oklahoma, commenced production of ammonia in December, 1986, at Kitimat on land adjacent to the existing methonal plant.

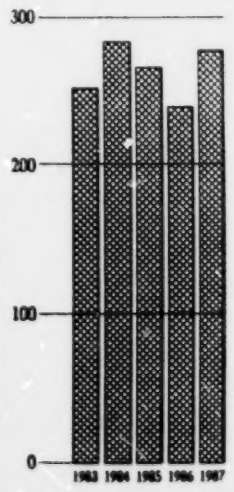
In conclusion, the Board would like to thank the Staff of the Corporation for their efforts during this past difficult and uncertain year.

JACK DAVIS,
Chairman

WELLS COMPLETED (by classification)



SULPHUR SALES
(thousands of metric tonnes/shipped)



NATURAL GAS PRICES

On July 1, 1985, the Natural Gas Price Act established a new pricing system for the purchase of natural gas in the Province. Under this act, the Minister of Energy, Mines and Petroleum Resources is empowered to set a price, identified as the producer selling price, at which the Corporation purchases natural gas under its contracts with producers, or acquires gas from a producer under an acquisition order. The Corporation may also, by order, establish a price adjustment for gas it acquires under a gas contract or an acquisition order. The price adjustment is calculated based on the balance of funds remaining in the Natural Gas Price Adjustment Fund after certain costs have been paid, as set out in the Natural Gas Price Act. The total of the producer selling price and the price adjustment equals the regulated selling price.

The prices paid for gas purchased by the Corporation during the year are shown below:

	General Producer Selling Price $/10³m³	General Price Adjustment $/10³m³
1986		
April-December . .	54.6631	2.4399
1987		
January	51.9118	2.5402
February-March . .	47.7588	2.5402

NATURAL GAS PRICES

FINANCIAL REVIEW

FINANCIAL REVIEW

The fiscal year under review was the first full year of operation of the natural gas marketing system established by the Natural Gas Price Act, 1985. It was also the year in which the National Energy Board, in August, 1986, established the tolls set by Westcoast Transmission Company Limited ("Westcoast"), on a fixed-toll basis rather than on the variable cost-of-service basis which had existed since 1973. In addition, the year witnessed a significant reduction in the wholesale price of gas resulting from the earlier dramatic drop in world oil prices and the emergence of direct gas to gas competition, primarily in the export market.

The total volume of gas sold during the year amounted to 7,032 million cubic metres, which represented an increase of 4.6% over the volume of 6,720 million cubic metres sold in the previous year. Domestic sales volumes decreased 8.3% from the level of the prior year, but this decrease was more than offset by an increase of 40.9% in export sales volumes. Despite this overall increase in volume, the domestic wholesale prices receivable by Westcoast in the contract year which commenced November 1, 1986, are lower than the prices previously in effect, and this, together with an erosion during the year in the prices received from export sales, resulted in considerably reduced revenues. As a result, the revenues of the Natural Gas Price Fund for the year amounted to $395,807,782 compared with $463,945,844 for the period July 1, 1985, to March 31, 1986, which represented the first nine months of operation of the fund.

During early 1986, the National Energy Board conducted a hearing in respect of a tolls application by Westcoast. Following the hearing, the Board, by its decision dated August, 1986, set new tolls effective January 1, 1986, which were lower than the interim tolls which were in effect from that date pending the decision of the Board. Westcoast, therefore, rebated to the Corporation an amount of $31,128,558, being the excess amount of its cost-of-service recovered in the ten months ended October 31, 1986, together with carrying charges. This amount, together with interest thereon, was included in the fund balance at March 31, 1987, and was, in turn, rebated after the end of the fiscal year to producers.

In December, 1986, an ammonia plant, which was constructed during the year on land adjacent to the methanol plant at Kitimat, commenced production. The ammonia plant is owned by Ocelot Ammonia Company ("OAC"), which is owned 51% by a wholly-owned subsidiary of Ocelot Industries Ltd. and 49% by the Devco Group from Tulsa, Oklahoma. The ammonia plant attained its full commercial production rate in March, 1987, and since that time, has been operating in excess of its design capacity.

In mid 1986, production at the methanol plant, which is owned by Ocelot Investments Ltd. ("Investments"), was reduced by 20% owing to difficulties experienced by that Company in marketing methanol. In September, 1986, Investments failed to pay for its fuel and feedstock gas and the repayment instalments due under the debenture agreement with British Columbia Gas Corporation. The supply of gas to the methanol plant was shut off, but, following a series of negotiations, OAC took possession of the methanol plant on November 7, 1986, and restarted operations. Since that date, as a result of measures taken by OAC, the methanol plant has been operating in excess of design capacity. However, the obligations of Investments outstanding at November 7, 1986, remain unpaid, as do its subsequent repayment obligations under the debenture agreement. No provision has been made in the financial statements of the Petroleum Corporation Fund in respect of these outstanding obligations. Because of the Corporation's present security arrangements, it is considered that the full amount of the indebtedness will be recovered.

NATURAL GAS PRICE ADJUSTMENT FUND

BALANCE SHEET

March 31, 1987

	1987	1986
ASSETS		
Cash	$ 38,677,317	$ 22,172,263
Accounts receivable	45,589,913	62,725,006
Prepaid expenses	3,977	3,243
	$ 84,271,207	$ 84,900,512
LIABILITIES		
Accounts payable and accrued charges	$ 45,778,993	$ 44,494,593
Amount available for distribution (Note 2)	38,492,214	40,405,919
	$ 84,271,207	$ 84,900,512

Approved by the Directors

Director

Director

See accompanying notes to financial statements.

NATURAL GAS PRICE ADJUSTMENT FUND

STATEMENT OF REVENUE, EXPENDITURE AND FUND BALANCE

Year Ended March 31, 1987

	1987	1986 (nine months)
Revenue		
Sales from natural gas, natural gas liquids and sulphur (Note 2)	$395,807,782	$463,945,844
Interest	2,292,009	381,530
	$398,099,791	$464,327,374
Expenditure		
Natural gas purchases	369,803,152	378,195,199
Price adjustments	18,004,446	20,776,309
Payments for natural gas liquids	10,372,994	23,534,870
Administrative and general expenses	1,832,904	1,415,077
	400,013,496	423,921,455
Excess (deficiency) of revenue over expenditure	(1,913,705)	40,405,919
Fund balance at beginning of year, as restated (Note 3)	40,405,919	—
Fund balance at end of year	$ 38,492,214	$ 40,405,919

See accompanying notes to financial statements.

NATURAL GAS PRICE ADJUSTMENT FUND

NOTES TO THE FINANCIAL STATEMENTS

March 31, 1987

Note 1 STATUTORY REQUIREMENTS

The Natural Gas Price Adjustment Fund is established by the Natural Gas Price Act, 1985.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

Gas Sales

Under the terms of an agreement between Westcoast Transmission Company Limited and British Columbia Petroleum Corporation effective November 1, 1973, the Corporation sells natural gas to Westcoast at a price equal to the gross revenue received by that Company on the resale thereof less that Company's cost of service, in respect of gathering, processing and transporting the gas, for the month in which such resale takes place. The revenue from sales of natural gas is paid into the Natural Gas Price Adjustment Fund for subsequent distribution to producers, as required by the Natural Gas Price Act.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure of such information in these financial statements is considered to be adequate.

Note 3 PRIOR PERIOD ADJUSTMENT

On December 1, 1985, Westcoast Transmission Company Limited applied to the National Energy Board for certain orders respecting its tolls pursuant to the National Energy Board Act. On December 18, 1985, the Board approved Westcoast's tolls, with certain amendments, on an interim basis, effective January 1, 1986. By its order dated August 15, 1986, the Board reduced Westcoast's cost of service and consequently its tolls. As a result of this order, the amount available for distribution at March 31, 1986, previously reported as $25,945,561 has been restated to show a retroactive increase in revenue of $14,460,358 representing the reduction in the cost of service in the period January 1 to March 31, 1986.

Note 4 COMPARATIVE FIGURES

As the Natural Gas Price Adjustment Fund was established on July 1, 1985, the comparative figures shown are those for the nine months ended March 31, 1986.

AUDITORS' REPORT

To the Lieutenant-Governor in Council
Province of British Columbia:

We have examined the balance sheet of the Natural Gas Price Adjustment Fund as at March 31, 1987, and the statement of revenue, expenditure and fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1987, and the results of its operations for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Wolrige Mahon

Wolrige Mahon
Chartered Accountants

Vancouver, B.C., June 2, 1987

PETROLEUM
CORPORATION FUND

BALANCE SHEET

March 31, 1987

	1987	1986
ASSETS		
Current assets		
Cash	**$ 31,496,926**	$ 32,667,029
Accounts receivable	**4,596,339**	6,152,770
Deferred receivable due within one year	**—**	3,222,222
	36,093,265	42,042,021
Prepaid gas (Note 3)	**40,238,705**	54,246,565
Property account (Note 4)	**178,789**	269,567
Other assets		
Deferred receivable (Note 5)	**48,023,965**	41,777,778
Debt issue expenses	**42,420**	84,840
Mortgages	**—**	63,980
	48,066,385	41,926,598
	$124,577,144	$138,484,751
LIABILITIES		
Current liabilities		
Accounts payable and accrued charges	**$ 2,907,619**	$ 1,124,397
Deferred liability due within one year (Note 6)	**1,000,000**	1,000,000
Long-term debt due within one year (Note 7)	**30,000,000**	—
	33,907,619	2,124,397
Deferred liability (Note 6)	**3,083,333**	4,000,000
Long-term debt (Note 7)	**—**	30,000,000
Surplus	**87,586,192**	102,360,354
	$124,577,144	$138,484,751

Commitments (Note 10)

Approved by the Directors

Director

D W Rawlyk

Director

See accompanying notes to financial statements.

PETROLEUM CORPORATION FUND

STATEMENT OF REVENUE, EXPENDITURE AND SURPLUS

Year Ended March 31, 1987

	1987	1986
Revenue		
Interest (Note 8)	$ 3,778,444	$ 5,363,731
Sales from natural gas, natural gas liquids and sulphur (Note 2)	—	60,990,885
	3,778,444	66,354,616
Expenditure		
Loss on prepaid gas (Note 3)	3,346,914	—
Administrative and general expenses	205,692	944,543
Gas and by-product purchases	—	61,906,935
	3,552,606	62,851,478
Net income	225,838	3,503,138
Surplus at beginning of year		
As previously reported	100,573,108	133,857,216
Adjustment of prior years' net income (Note 9)	1,787,246	—
As restated	102,360,354	133,857,216
	102,586,192	137,360,354
Deduct: Transfers to Provincial Treasury	15,000,000	35,000,000
Surplus at end of year	$ 87,586,192	$ 102,360,354

See accompanying notes to financial statements.

PETROLEUM CORPORATION FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION

Year Ended March 31, 1987

	1987	1986
Operating activities:		
Operations		
Net income	$ 225,838	$ 3,503,137
Add items not involving a flow of cash:		
— Depreciation and amortization	147,060	131,820
— Loss (gain) on disposal of fixed assets	415	(4,568)
Cash from operations	373,313	3,630,389
Recovery of prepaid gas	14,007,860	57,892,437
Payment on future gas supply	—	(30,475,487)
Transfers to Provincial Treasury	(15,000,000)	(35,000,000)
	(618,827)	(3,952,661)
Financing activities:		
Mortgages	63,980	4,189
Increase (decrease) in deferred liability	(916,667)	2,534,721
	(852,687)	2,538,910
Investing activities:		
Property additions	(15,987)	(99,596)
Proceeds from sale of fixed assets	1,710	4,790
Increase in deferred receivable	(3,023,965)	(2,534,721)
	(3,038,242)	(2,629,527)
Changes in non-cash working capital		
Accounts receivable	1,556,431	90,890,022
Prepaid expenses	—	33,772
Accounts payable and accrued charges	1,783,222	(84,300,119)
	3,339,653	6,623,675
Increase (decrease) in cash position during the year	(1,170,103)	2,580,397
Cash position at beginning of year	32,667,029	30,086,632
Cash position at end of year	$ 31,496,926	$ 32,667,029

See accompanying notes to financial statements.

PETROLEUM CORPORATION FUND

NOTES TO THE FINANCIAL STATEMENTS

March 31, 1987

Note 1 STATUTORY REQUIREMENTS

The Petroleum Corporation Fund is established by the Petroleum Corporation Act.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

Consolidation

The Petroleum Corporation Fund financial statements include the accounts of the Corporation's subsidiary, British Columbia Gas Corporation.

Gas Sales

Under the terms of an agreement between Westcoast Transmission Company Limited and British Columbia Petroleum Corporation effective November 1, 1973, the Corporation sells natural gas to Westcoast at a price equal to the gross revenue received by that Company on the resale thereof less that Company's cost of service, in respect of gathering, processing and transporting the gas, for the month in which such resale takes place. Prior to July 1, 1985, revenue from sales of natural gas was paid into the Petroleum Corporation Fund. Effective July 1, 1985, the revenue from such sales is paid into the Natural Gas Price Adjustment Fund, as required by the Natural Gas Price Act, 1985.

Depreciation

Furniture, equipment, automobiles and leasehold improvements are recorded at cost and depreciation is provided at rates considered adequate to amortize the cost over the service lives of the assets. Depreciation is computed on a straight-line basis.

Note 3 PREPAID GAS

Under its gas purchase contracts with producers, the Corporation is obligated to purchase and take delivery of, or pay for, a specified minimum annual volume of gas. In the contract years 1980-1986 inclusive, the Corporation was unable to take delivery of the minimum volume of gas and, therefore, is liable to pay for the resulting shortfall (deficiency gas). The Corporation is entitled to take delivery of deficiency gas within a period of ten years from the date incurred, with an adjustment for any increase in the prices prevailing when such gas is delivered.

Prepaid gas outstanding at March 31, 1987, has been calculated at the lower of cost or current value.

Note 4 PROPERTY ACCOUNT

	Cost	Accumulated Depreciation & Amortization	1987 Net Book Value	1986 Net Book Value
Furniture	$389,686	$278,610	$111,076	$167,774
Automobiles	35,855	25,256	10,599	19,599
Leasehold Improvements	250,538	193,424	57,114	82,194
	$676,079	$497,290	$178,789	$269,567

Note 5 DEFERRED RECEIVABLE

The deferred receivable of $48,023,965 represents the amount of credit extended to Ocelot Investments Ltd. as at March 31, 1987, under an agreement with the Corporation and its subsidiary, British Columbia Gas Corporation. Of this receivable, which is secured by a first fixed and floating charge on the assets of that company, an amount of $37,962,963 is repayable by way of equal monthly instalments to April 1, 2004, with interest at three quarters of one percent over prime, and an amount of $4,083,334 is repayable by way of equal monthly instalments to April 1, 1991, at the same interest rate.

Due to financial difficulties, Ocelot Investments Ltd. has not made any repayments under the above agreement since September 1, 1986. At March 31, 1987, such unpaid obligations, including accrued interest, amounted to $4,082,449. In addition, a further amount of $1,895,219 represents certain costs incurred by British Columbia Gas Corporation on behalf of Ocelot Investments Ltd.

In accordance with the terms of the agreement, British Columbia Gas Corporation, in October, 1986, required Ocelot Industries Ltd., the parent company of Ocelot Investments Ltd., to redeem the charge on the assets. At March 31, 1987, this requirement had not been satisfied. No provision has been made in these financial statements in respect of any failure to redeem the charge, as the value of the secured assets is considered adequate to repay the amount receivable.

Note 6 DEFERRED LIABILITY

The deferred liability of $4,083,334 represents the deferral, under an agreement with Pacific Northern Gas Ltd., in the payment of a portion of the billing for gas delivered to British Columbia Gas Corporation. This amount, including accrued interest at a rate of not less than three quarters of one percent over prime, is repayable over a period of five years which commenced May 1, 1986.

Note 7 LONG-TERM DEBT DUE WITHIN ONE YEAR

Long-term debt due within one year comprises $30,000,000 11⅜ Notes, due on March 31, 1988, which are unconditionally guaranteed as to principal and interest by the Province of British Columbia.

Note 8 INTEREST

	1987	1986
Interest Income		
Province of British Columbia	**$2,705,856**	$3,962,653
Other	**4,527,508**	4,855,998
	$7,233,364	$8,818,651
Less: Interest expense	**3,412,500**	3,412,500
Amortization of debt issue expenses	**42,420**	42,420
	3,454,920	3,454,920
	$3,778,444	$5,363,731

Note 9 PRIOR YEARS' ADJUSTMENT

By an order dated August 15, 1986, the National Energy Board instructed Westcoast Transmission Company Limited to make certain adjustments for cost of service items and transportation revenues, the net effect of which was to increase the revenue of the fund in the year ended March 31, 1986. As a result of this order, the surplus at that date, previously reported as $100,573,108 has been restated to reflect this increase in revenue amounting to $1,787,246.

Note 10 COMMITMENTS

(1) Under agreements with producers which waived the Corporation's liability to pay for deficiency gas incurred in 1980, the Corporation is committed to purchase and take delivery of, or pay for, a specified volume of such gas in each year to 1991. At March 31, 1987, the Corporation's aggregate liability under these agreements was estimated at approximately $12,498,000.

(2) The Corporation has commitments under agreements for the lease of office premises extending to 1989. The aggregate rentals payable under leases amounted to approximately $592,000 at March 31, 1987.

AUDITORS' REPORT

To the Lieutenant-Governor in Council
Province of British Columbia:

We have examined the balance sheet of the Petroleum Corporation Fund as at March 31, 1987, and the statements of revenue, expenditure and surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1987, and the results of its operations and the changes in its financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Wolrige Mahon

Wolrige Mahon
Chartered Accountants

Vancouver, B.C., June 2, 1987

FIVE YEAR SUMMARY

YEAR ENDED MARCH 31	1987	1986	1985	1984	1983
Volumes					
Domestic sales - (10^3m^3)	**4,535,740**	4,948,419	4,894,318	4,403,010	4,287,164
- (Mcf)	**160,115,962**	174,683,961	172,774,147	155,430,488	151,341,010
Export sales - (10^3m^3)	**2,495,983**	1,771,653	1,886,415	2,038,496	1,458,000
- (Mcf)	**88,110,615**	62,541,041	66,592,275	71,960,884	51,468,793
Sulphur sales - tonnes shipped	**276,690**	239,521	265,482	282,449	251,516
Natural gas liquids - (m^3)	**230,839**	191,365	227,665	231,469	236,914
Average Selling Price of Gas					
Domestic - $ per 10^3m^3	**89.9927**	99.6192	92.2243	81.4546	69.3503
- $ per Mcf	**2.5493**	2.8220	2.6125	2.3074	1.9645
Export - $ per 10^3m^3	**86.8049**	150.4764	159.9602	198.6800	221.2415
- $ per Mcf	**2.4590**	4.2627	4.5313	5.6282	6.2673
Average Regulated Selling Price					
- $ per 10^3m^3	**55.8577**	70.4299	—	—	—
- $ per Mcf	**1.6140**	2.0351	—	—	—
Average Purchase Price of Gas					
Old gas - $ per 10^3m^3	—	—	55.4341	57.2490	42.0536
- $ per Mcf	—	—	1.6018	1.6542	1.2151
New gas - $ per 10^3m^3	—	—	62.3398	64.9556	53.8178
- $ per Mcf	—	—	1.8013	1.8769	1.5551

CORPORATE INFORMATION

Directors:

Honourable Jack Davis
Minister of Energy, Mines & Petroleum Resources
Chairman of the Board

John P. Crone
Businessman
Victoria, B.C.

Larry E. Fisher
Businessman
Surrey, B.C.

Hon. Audrey L. Moore
Mayor of Castlegar, B.C.

Donald W. Rawlyk
General Manager & Manager, Natural Gas Division

Senior Personnel:

Donald W. Rawlyk
General Manager & Manager, Natural Gas Division

Sidney T. Akers
Manager, Gas Supply & Special Projects

Gordon S. Thomas
Comptroller

Bruna M. Martinuzzi
Corporate Secretary

Leonard D. Anderson
Chief Geologist

J. Brian Williston
Chief Engineer

Neil C. Beaton
Administrator, Gas Proration

Gordon A. Pearson
Assistant Comptroller

Corporate Offices:

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6th Floor
Vancouver, B.C. V6E 3T5
Telephone (604) 661-3300
Telex 04-54530

Legal Advisors:

Davis & Company
2800 Park Place
666 Burrard Street
Vancouver, B.C. V6C 2Z7

Auditors:

Wolrige, Mahon
9th Floor
400 Burrard Street
Vancouver, B.C. V6C 3B7

CORPORATE INFORMATION